

## Status of Mayor and City Council Referrals 2005-2006 Adopted Budget

<b>Referral</b>	<b>Resolution</b>
Focus on Protecting Vital Core City Services	One of the key criteria used to craft the Administration's budget strategy was the preservation of core City services.
Focus on Using Resources to Stimulate Local Economy/Job Creation	Balancing strategies were formulated with the intent to preserve, to the extent possible, services and programs focused on economic development and job creation.
Do Not Enter Into New Commitments That Can Not Be Funded	Given the absence of additional funding, no new ongoing General Fund program commitments were approved in the Adopted Budget, unless the commitments had their own funding source (e.g., grant reimbursements).
Reduce Vacant Positions, Redeploy Staff, and Save Filled Positions as Much as Possible	One of the key strategies employed in the Adopted Budget was to take advantage of the many vacancies accumulated as the result of the hiring freeze that the City has maintained since fall 2001. Although this has certainly lessened the number of filled positions that will be affected, the severity of the financial situation is such that approximately 56 filled positions were approved for elimination in the Adopted Budget.
Streamline, Innovate, and Simplify Operations	Streamlining and simplification of processes was incorporated across all departments in formulating expenditure reductions.
Be Open to Alternative Cost-Effective Service Delivery	All programs were evaluated for alternative service delivery models. In order to continue to provide the highest level of service with the resources available, there were several actions to merge and/or reorganize the delivery of services.
Work With Employees to Limit Layoffs	Discussions occurred with all bargaining units to develop options to reduce costs to limit employee layoffs.

## Status of Mayor and City Council Referrals (Cont'd.)

### 2005-2006 Adopted Budget

Referral	Resolution
Set Fees and Charges to Recover Costs	Where feasible, all fees and charges were approved at levels that would result in full recovery of program costs. A detailed discussion of the fee changes was included in the 2005-2006 Fees and Charges Report, released under separate cover.
Resident Preference for Fees and Charges	Resident preference fee structures was considered and included where appropriate.
City Department Budget Reductions Should Be Applied at the Same Level as Community-Based Organization Budget Reductions	The reductions included for CBOs were the exact percent average of the reductions for all non-public safety City Service Areas (8.2%).
Develop a Balanced Budget Based on Current Revenue Expectations and Expenditure Reductions	The Adopted Budget included a "Tier One" budget plan which balanced the approximate \$58.1 million local projected shortfall. As directed, the Tier One strategy assumed no specific impacts from negotiations with the City's bargaining units or the State.
Reserve Funds to Adequately Fund Each Appointee's Office and the Mayor/City Council Offices, with an Across-the-Board Reduction Equal to the Average Reduction Proposed for Non-Public Safety Departments.	The Adopted Budget contained allocations for each Council Appointee Office as well as the Mayor/City Council Offices based on reductions that were calculated at the percentage reduction level of all non-public safety City Service Areas (8.2%).
Maximize Reductions to Ongoing Programs	The Adopted Budget contained a balanced set of proposals that maximized ongoing reductions/revenue enhancements to the extent possible, while still preserving as much of the City's core services as possible.
Require Staff Reductions to be Ongoing Cuts, Not One-Year Freezes to Better Overcome Future Deficits	The Adopted Budget incorporated ongoing position cuts as a major budget balancing strategy in an effort to reduce future deficits.
Coordinate/Pursue Grant Opportunities to Support Programs in Priority Areas	Grant opportunities for priority areas continue to be actively explored.

## Status of Mayor and City Council Referrals (Cont'd.)

### 2005-2006 Adopted Budget

Referral	Resolution
Avoid Budget Cuts That Lose Grants or Prevent Leveraging of Other Resources	The Adopted Budget does not contain any reductions that would cause the City to lose grant funding or prevent leveraging funds from other sources.
Continue to Include IPA in the Public Safety CSA	The Adopted Budget utilized the directed format.
Include Council Appointees Budget Reduction Proposals Under the Strategic Support CSA	The Adopted Budget utilized the directed format.
New Proposed Additions Should be Within CSA Proposals Rather Than the Base Budget	The Adopted Budget incorporated this direction.
The Economic Uncertainty Reserve Should be Allocated to Reduce the Overall Reductions that Would be Required to Close the Overall Budget Shortfall	The Adopted Budget allocated the entire Economic Uncertainty Reserve of \$10.4 million as a budget balancing strategy.
Develop Staffing Plans – Utilize Existing Staff as First Option	As we move forward in the <i>Decade of Investment</i> , the Administration will be bringing forward alternatives to operating new facilities. This will include comprehensively analyzing all facilities that deliver services and determining those that may be considered for closure based on the duplication of services in the same geographic proximity.
Focus on Mayor's Six Core Priorities	The Mayor's Core Priorities were a cornerstone criteria used to formulate Adopted Budget strategies.
Review All Programs to Ensure Progress on Mayor's Six Priorities	Through the use of performance measures that are an integral part of the budget process, progress in the Mayor's six priorities was analyzed.
Proposals Must Quantify Level of Service, Impact on Position Reductions, and Potential Cost Savings	All approved actions included projected performance impact information.

**Status of Mayor and City Council Referrals (Cont'd.)**  
**2005-2006 Adopted Budget**

<b>Referral</b>	<b>Resolution</b>
Provide Councilmembers With Schedule for Cost-Saving Ideas	A schedule for this process was provided to City Council Offices under separate cover.
Develop a Performance Measure Matrix for the Economic Impact of Major Special Events	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Increase Staffing for the Office of Economic Development to Better Support and Increase Revenue Producing Events and Projects	The addition of four temporary positions was approved in the Adopted Budget to address several economic development initiatives. It is believed that these positions will generate additional revenue to justify their continuation on a permanent basis. Recommendations on continuing these positions will be made at the end of the next fiscal year.
Streamline the Grant Process for Community Based Organizations	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Report on Where Long-Term Planning Resources Should be Focused	As discussed in the Long Range Land Use Planning core service in the Economic and Neighborhood Development CSA, the limited City-funded long-range planning efforts continue in the areas of Council-initiated General Plan changes, planning work associated with implementing the Strong Neighborhoods Initiative plans, and limited proactive police and regulatory work to advance the City's adopted Economic Development Strategy.
Restructure the Arts Venture Fund to simplify the 2006-2007 Application Process	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Merge the Office of Cultural Affairs into the Office of Economic Development	In the 2005-2006 Adopted Budget, the Office of Cultural Affairs was merged with the Office of Economic Development as directed.

**Status of Mayor and City Council Referrals (Cont'd.)**  
**2005-2006 Adopted Budget**

<b>Referral</b>	<b>Resolution</b>
Identify Steps and Resources to Reach 10,000 Affordable Homes Built or Under Construction from January 1999 to December 2006	As discussed in the Economic and Neighborhood Development CSA, Increase the Affordable Housing Supply core service, a total of 9,600 affordable homes will be built or under construction by the end of 2005-2006. The Housing Department will be working towards developing projects that supply the additional 400 units by December 2006.
Continue to Make a Top Priority of Locating the California Institute of Regenerative Medicine Headquarters in San José	San José was not chosen to move forward in this competitive selection process.
Work With the Mayor's Office to Submit a Proposal to Major League Baseball to Bring a Team to San José	The Office of Economic Development is working with the Mayor's Office to develop a proposal to bring a Major League Baseball team to San José.
Explore Job Training Consolidation Methods	The Administration will continue to consider opportunities for collaboration to support the training program and eliminate duplication. The Employee Services Department is in discussions with the Office of Economic Development to identify opportunities for City staff to participate in training and workshops offered by the Workforce Investment Network.
Recommend to the City Council How Best to Support a Second City Investment of \$250,000 for the Housing Trust Fund	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Report on Evaluation of Consolidating Grant Administration for Police, Fire and Emergency Services and Review Anticipated Performance Measures	An informational memo was distributed as a Manager's Budget Addendum (MBA) during the budget process.

**Status of Mayor and City Council Referrals (Cont'd.)**  
**2005-2006 Adopted Budget**

<b>Referral</b>	<b>Resolution</b>
Consistently Apply Re-Inspection Fees and Impose Increasing Penalties for Facilities with Chronic Fire Safety Problems	A business plan for Fire Prevention is currently in development by the Fire Department and will be completed in 3 to 6 months. As part of the plan the Department will include analysis on the potential impact of increasing penalties for facilities with chronic fire safety problems to determine if any programmatic effectiveness can be derived, while maintaining the economic vitality of the local business community.
Reduce Patrol Staff Only as a Last Resort	No reduction to the current level of patrol staffing was approved in the Tier One Adopted Budget. The Compensation Impact Contingency Plan (Tier Two), however, includes several proposals that would reduce patrol staff capacity.
Minimize Reductions in Gang and Violent Crimes Investigations	No reductions to Police Gang and Violent Crimes Investigations Units were included in the Tier One budget balancing strategy. The Compensation Impact Contingency Plan, however, includes proposals that would reduce staffing in Gang and Violent Crimes Investigations Units.
Reduce the Fire Prevention Division and Require Fire Companies to Pick up Program Needs in Accordance with State Law	An informational memo will be distributed as part of the 2005-2006 Mid-Year Budget Review.
Implement Emergency Response Plan Developed by Environmental Services and Eliminate Duplicated Services Provided by Fire and ESD	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Revise Policy Requiring Police Officers to Monitor Traffic at Street Construction Projects. When Directing Traffic, Officers Required 75% of the Time	Analysis concerning potential changes to the current policy is still under review.

**Status of Mayor and City Council Referrals (Cont'd.)**  
**2005-2006 Adopted Budget**

<b>Referral</b>	<b>Resolution</b>
Any Changes to the Public Safety Capital Bond Program Budget Must be Brought Forward in a MBA	The Public Safety Bond Program Budget was revised after Council received a Manager's Budget Addendum during the budget process.
Create a Staffing Model to Look for Opportunities to Cross-Train Bomb Squad Staff	Included in the Public Safety CSA Section (Respond to Calls Core Service) is a description of the Bomb Squad staffing model. Currently, 12 Officers and Sergeants who are assigned elsewhere in the Department have specialized bomb/explosive training and are available for immediate deployment in the event of a bomb threat.
Fire Haz-Mat Unit Must Perform Other Functions When Not Involved in Hazardous Materials Duties or Training	The dedicated HIT Unit was restored in the Adopted Budget when grant funding was secured. Cross-trained Fire personnel who respond to hazardous materials incidents also respond to incidents that do not involve hazardous materials as part of daily suppression and rescue response duties.
Streamline Public Safety Communications Services, Eliminate Duplications Between Police and Fire, and Implement Cross-Training	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Research Solutions in Other Jurisdictions to Develop Cost Efficient Ways to keep Children Safe in Response to Crossing Guard Reductions	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Develop a Fee Program to Charge the State for Public Safety Responses on State Roads	An informational memo was distributed as a Manager's Budget Addendum during the budget process.

**Status of Mayor and City Council Referrals (Cont'd.)**  
**2005-2006 Adopted Budget**

<b>Referral</b>	<b>Resolution</b>
Increase Partnership Between the Sexual Predator Registration Team and the Probation Department to Provide the Most Efficient/Non-Duplicative Staffing	The Police Department, in partnership with the Department of Justice, is responsible for tracking all registered sex offenders within the City regardless of their probation or parole status. The Department partners with the Santa Clara County Probation Department in exchanging information on sex offenders. Most registered sex offenders residing in San José are neither currently on probation nor on parole, and are therefore not monitored by the County. The Police Department will continue to seek ways to further enhance its partnerships with the County with regard to monitoring 290 registrants.
Review the Current Threat-Level Response Plan Including Evaluation of Training Needs to Respond to Code Red and Orange Response Levels	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Maintain Youth Programs That Focus on School Safety and Gang Prevention at Levels that Ensure Safety for Public and Youth that Participate in Them	The Recreation and Cultural Services CSA developed a Tier One budget balancing strategy that preserved current service levels to schools and at-risk youth. All performance measures related to School Safety and Gang Prevention were maintained. The Compensation Impact Contingency Plan, however, includes proposals that would degrade these services.
Minimize Truancy Program Reductions and Explore Methods With School Districts to Expand Usage of Models That Include Parent Accountability	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Create Partnerships Between Businesses and Parks Maintenance	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Reduce CAP Grants by Amount Applied to CBOs and Fund Projects That Help Alleviate Parks Maintenance Shortfall	As described in the 2005-2006 Adopted Operating Budget, CAP grants were reduced by a percentage equal to that applied to CBOs.



**Status of Mayor and City Council Referrals (Cont'd.)**  
**2005-2006 Adopted Budget**

<b>Referral</b>	<b>Resolution</b>
Tier the Level of Parks Maintenance Based on Usage and Maintain All Parks at the Minimum Level	The Recreation and Cultural Services CSA currently allocates parks maintenance resources according to usage levels. In the 2005-2006 Adopted Operating Budget, reductions to neighborhood parks maintenance were developed, accounting for the level of parks usage.
Include Cost-Benefit Analysis When Proposing Closure or Reduction of Hours for Facilities Generating Revenue From Parking, Concessions, and Rentals	The budget balancing strategy of the Recreation and Cultural Services CSA did not include the closure or reduction of hours of facilities generating significant revenues.
Explore Ways to Install Automated Parking and Admission Machines at Regional Parks	Parks, Recreation and Neighborhood Services Department staff analyzed the use of automated parking and admission machines at regional parks. Funding was included in the 2005-2006 Adopted Capital Budget in the Parks and Community Facilities Development Program to install automated parking machines at regional parks.
No Reductions to Anti-Graffiti/Anti-Litter	The 2005-2006 Tier One Adopted Operating Budget maintained the funding for anti-graffiti programs at current levels. The Compensation Impact Contingency Plan, however, does include a proposal which would impact these programs.
For Library Staffing, Reduce Service Hours Based on Usage, Create a Service Delivery Model, and Avoid Overlap of Shifts	Included in the 2005-2006 Adopted Operating Budget in the Recreation and Cultural Services CSA are adjustments to library hours that were based on these criteria.
Analyze Impact to After-School Programs if Fees Were Implemented, Including the Risks Associated With Fees for Level 3 Sites Only and How This Would Impact State/Federal Grant Requirements	An informational memo was distributed as a Manager's Budget Addendum during the budget process.

## Status of Mayor and City Council Referrals (Cont'd.)

### 2005-2006 Adopted Budget

Referral	Resolution
Coordinate Reduction Proposals for Teacher Programs With the Mayor's Office	The approved one-time reduction of \$100,000 in the San José Future Teachers Program was coordinated with the Mayor's Office. This is the only reduction in Teacher Programs included in the Adopted Budget.
Work With Community Partners to Create 2,000 New High Quality Preschool Spaces Over the Next Five Years	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Work With the Mayor's Office to Engage the Community's Support for the Creation of a City-Wide San José Education Foundation	Staff from the Recreation and Cultural Services CSA will work with the Mayor's staff on this initiative.
Clarify the Agreement With the State Regarding Shared Maintenance and Costs Associated With State Roadways and On/Off Ramps	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Provide Examples of How a New Proposed Fee Would Be Assessed for Street Lane Striping and Marking Services	A discussion of the new approved fee was provided in the Transportation Planning and Project Delivery Core Service of the Transportation City Service Area. This fee was also discussed in the 2005-2006 Fees and Charges document, released under separate cover.
Review Opportunities for Private Development for the Oakland Road and Berryessa Road Projects	The Traffic CIP reflected the outcome of this review. City funding was reduced or eliminated in recognition of anticipated developer-funded improvements in the project areas.
Evaluate CIP to Determine Whether it Addresses the Traffic Congestion Caused by Light Rail Traffic Signals on Capital Expressway	Funding to help alleviate this congestion was provided in the Traffic CIP.
Define Capital Project Planning for the Mabury Interchange	Funding for Mabury Interchange Upgrade Planning was included in the Traffic CIP.

## Status of Mayor and City Council Referrals (Cont'd.)

### 2005-2006 Adopted Budget

Referral	Resolution
Determine Leverage Capability of the PG&E 20A Grants for Utility Undergrounding	Funding for City investment in undergrounding was provided in the Traffic CIP in order to leverage PG&E Rule 20A grants for undergrounding.
Report on Timeline for Research of Streetlight Technology and How It May Affect Streetlight Implementation	As reported in the Traffic CIP Overview, this research will be conducted in 2005-2006 with results anticipated to be reported in Spring 2006.
Report on Analysis of Cost Savings Associated With CIP Investment in LED Technology	A project in the Traffic CIP funds the LED retrofit for signals and an operating adjustment reflects the resulting electricity savings (estimated at \$290,000 ongoing).
Define City Costs Associated with Preliminary Engineering for VTA Downtown/East Valley Project and Report Back During the Budget Process	Funding for costs associated with preliminary engineering for the Downtown/East Valley project was included in the Traffic CIP.
Evaluate Public Safety and Traffic Safety Impacts, Along With Cost Savings of Turning Off Streetlights Along Major Arterial Roads	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Install Equipment at 50 High-Risk Intersections to Help Catch Red Light Violators	Funding for these improvements was included in the Traffic CIP.
Install Countdown Signals at 50 Busy Intersections and Install Flashing Lights and Lighted Crosswalks at Critical Locations	Funding for these improvements was included in the Traffic CIP.
Explore Opportunities to Shift Funding for Special Programs From General Fund	Potential funding shifts were once again analyzed in the development of the Adopted Budget and a number of funding shifts were approved to align the work with the appropriate funding source.
Provide an Update During the Budget Process on the Results and Opportunities for Our Wireless Strategy, Including a Comparison of Wireless Programs in Other Cities	An informational memo was distributed as a Manager's Budget Addendum during the budget process.

**Status of Mayor and City Council Referrals (Cont'd.)**  
**2005-2006 Adopted Budget**

<b>Referral</b>	<b>Resolution</b>
Report on the Results of the City's Strategy to Collect on Delinquent Accounts, Including Ways to Increase Collection Efforts	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Work with State and Federal Lobbyists to Recommend Changes in State and Federal Legislation to Address Worker's Compensation Issues	An informational memo was distributed as a Manager's Budget Addendum during the budget process.
Review Feasibility of All Affected Funds Sharing Costs Associated With Management of Telecommunications Contracts by Public Works	The Airport will assume management of the Airport-related telecommunications contracts from the Public Works Department.
Review Any Fleet Management Program Reductions With the City Auditor to Ensure Budget Proposals Align with Previous Council-Approved Audit Direction	The elimination of the transfer from the General Fund to the Vehicle Maintenance and Operations Fund aligns with previously approved Audit direction and was reviewed by the City Auditor.
Review All City Functions Provided by Staff or Contract to Determine Where Duplications can be Eliminated and Greater Efficiencies Achieved	In the development of the Adopted Budget, each CSA reviewed all operations to determine if there was any duplication of services or opportunities to gain efficiencies. As a result of this process, several reorganizations have occurred to streamline service delivery.